

SEPTEMBER 1998 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>September 1998</u>	Fiscal Year <u>Total</u>
Individual Income Tax		
Net Collections	\$175,634,083	\$439,870,584
Percent Change	1.5%	9.8%
Corporate Income Tax		
Net Collections	\$88,427,675	\$115,887,279
Percent Change	(24.5%)	(16.7%)
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$202,306,374	\$621,404,950
Percent Change	9.7%	9.6%
Total Big Three Tax Types		
Net Collections	\$466,368,132	\$1,177,162,813
Percent Change	(1.8%)	6.4%

TAX FACTS

September 1998

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	September 1998	September 1997	% Change
Gross Collections	\$67,940,219	\$64,968,278	4.6%
Withholding	\$147,295,695	\$142,754,363	3.2%
Refunds	(\$11,242,609)	(\$10,361,947)	8.5%
Urban Revenue Sharing	(\$28,359,221)	(\$24,270,298)	16.8%
Net Collections	\$175,634,083	\$173,090,395	1.5%

	Fiscal Year Total	Fiscal Year Total	% Change
Gross Collections	\$89,770,385	\$87,993,732	2.0%
Withholding	\$474,115,363	\$416,284,194	13.9%
Refunds	(\$38,937,500)	(\$30,893,099)	26.0%
Urban Revenue Sharing	(\$85,077,664)	(\$72,810,894)	16.8%
Net Collections	\$439,870,584	\$400,573,933	9.8%

Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$0.032 million for September and \$0.81 million for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$.15 million.

Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. Refunds issued as a result of the FERC project totaled \$0.017 million for September and \$0.38 million for the fiscal year. In addition to this amount, \$0 of available credits were used to cover outstanding agency debts. The law firm of Bonn, Lusher, Padden & Wilkins has obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This amount is equal to \$0.004 million for the month of September and \$0.077 million for the fiscal year.

Individual Income Tax Document Count

In calendar year 1997, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	TOTAL
#	35,011	1,156,502	59,506	94,782	436	38,471	559,205	19,900	1,963,816
%	1.8	58.9	3.0	4.8	0.0	2.0	28.5	1.0	

In calendar year 1998 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	TOTAL
#	33,040	1,108,475	57,556	100,368	224	35,008	564,707	18,687	1,918,065
%	1.7	57.8	3.0	5.2	0.0	1.8	29.4	1.0	

The 1,918,065 returns filed through September 1998 compares to 1,891,545, filed through September 1997 an increase of 1.4%. This count represents multiple tax years. For tax year 1997 filed in 1998, 1,852,978 returns have been filed, an increase of 3.8% from 1996 returns filed in 1997 for the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,279,765 returns in calendar year 1998 for tax year 1997 from filers who also have returns on record from calendar year 1996 with the same marital status. On average, these filers experienced a 8.5% growth in FAGI and a 3.5% increase in tax liability. More specifically, 37.6% of these filers experienced a decrease in tax liability, on average a decrease of 34.8% with a corresponding average decrease in FAGI of 15.7%. Filers showing an increase in tax liability totaled 642,623, or 50.2%, with an average FAGI increase of 34.4% and an average tax liability increase of 53.9%.

Average Individual Income Tax Refund

	Average	Number
1998	\$489.33	1,228,029
1997	\$482.12	1,160,865
% Change	1.5%	5.8%

"New" Filers in Calendar Year 1998

Table 1 attached to this report presents the number of "new" returns filed in calendar year 1998. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 215,526 "new" returns have been filed thus far in 1998, representing approximately 260,042 persons, not including dependents. The average Federal Adjusted Gross Income for these 215,526 returns is \$16,713, with an average tax liability of \$263. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 19.6% had a married filing joint filing status, 8.0% claimed a 65 And Over Exemption and 31.7% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1997 were \$281.4 million, for an average of \$1,621. A total additional \$38.9 million in estimated payments was received as refunds on the 1997 tax returns applied to 1998 estimates, for an average of \$1,513.

9/98	140ES payment	\$21,634,816	cumulative	\$128,780,392
9/97	140ES payment	\$46,507,801	cumulative	\$138,764,610
	percent change	(53.5%)		(7.2%)
9/98	average payment	\$949	cumulative	\$1,153
9/97	average payment	\$1,540	cumulative	\$1,263
	percent change	(38.4%)		(8.7%)
9/98	applied refund	\$3,510,798	cumulative	\$30,256,636
9/97	applied refund	\$2,676,136	cumulative	\$22,641,947
	percent change	31.2%		33.6%
total 9/98		\$25,145,614	cumulative	\$159,037,028
total 9/97		\$49,183,937	cumulative	\$161,406,557
	percent change	(48.9%)		(1.5%)

Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 1997 through March 1998, \$403,625,797 was received for the first quarter of 1997. The latest complete quarter (15 months of information has been compiled) is the third quarter of 1997, which shows a growth rate of 11.7% in withholding payments over the third quarter of 1996. Growth in quarters for which information is still being gathered is as follows:

3rd Quarter 1997	11.7%	2nd Quarter 1998	13.0%
4th Quarter 1997	12.7%	3rd Quarter 1998	12.3%
1st Quarter 1998	10.9%		

The comparisons made above were against the same number of months of collections in the previous year. In other words, the fifteenth month of information available for the third quarter of 1997 was compared against the fifteenth month of collections for third quarter 1996. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	\$ (Mil)	Average
Calendar Year 1998	18,597	5,566,092	299.30
Calendar Year 1997	19,916	5,809,469	291.70
% Change	(6.6%)	(4.2%)	2.6%

Contributions on the Individual Income Tax Return

Through September 1998, the following contributions have been made by individual income tax return filers

	Number	Amount	Average
Wildlife	16,796	\$182,563	\$10.87
Child Abuse	18,217	\$213,515	\$11.72
Special Olympics	9,860	\$93,469	\$9.48
Neighbors Helping	6,678	\$54,038	\$8.09
Democratic Party	1,252	\$12,313	\$9.83
Republican Party	873	\$10,930	\$12.52

Libertarian Party	283	\$3,024	\$10.69
Reform Party	40	\$993	\$24.83
New Alliance	1	\$5	\$5.00

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	September 1998	September 1997	% Change
Gross Collections	\$91,86,498	\$120,078,292	(23.5%)
Refunds	(\$3,441,823)	(\$2,917,989)	18.0%
Net Collections	\$88,427,675	\$117,160,303	(24.5%)

	Fiscal Year Total	Prior Fiscal Year Total	% Change
Gross Collections	\$126,165,326	\$147,719,302	(14.6%)
Refunds	(\$10,278,047)	(\$8,663,075)	18.6%
Net Collections	\$115,887,279	\$139,056,226	(16.7%)

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

Sept 1998	\$82,839,990	Calendar Year Total	\$393,105,674
Sept 1997	\$109,525,837	Calendar Year Total	\$416,958,179
% Change	(24.4%)	% Change	(5.7%)

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for September 1998 and for the fiscal year.

Size of Payment ➔	less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
Sept 1998	512	62	89	14	8	0	685	5.2
Sept 1997	450	72	99	18	11	1	651	
CY 1998	2,116	307	350	59	32	2	2,866	17.6
CY 1997	1,673	316	336	70	39	3	2,437	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 97/98, 2.8% of the refund dollars paid were for corporate fiscal years ending in 1993 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	93 & Prior	94	95	96	97	98
FY 97/98	2.8%	3.5%	5.4%	70.9%	16.9%	0.5%

Corporate Fiscal Year-End:	94 & Prior	95	96	97	98	99
FY 98/99	8.3%	1.3%	4.5%	75.9%	10.0%	0.0%

Corporate Income Tax Document Count

The Arizona Department of Revenue received 87,507 corporate returns showing a fiscal year-end of 1996. The type of return received is indicated below:

	120X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	579	50,936	35,657	335
%	0.7%	58.2%	40.7%	0.4%

Through September 1998, documents have been received for a fiscal year-end of 1997, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	249	29,691	31,914	240
%	0.4%	47.8%	51.4%	0.4%

The figures shown above for the 1997 returns are most meaningful when compared to 1996 returns received during the same period of time in the previous year. Through September 1997 the Arizona Department of Revenue received 61,614 documents with a fiscal year-end of 1996. This represents an increase of 0.8% in corporate returns received at this point of time in the calendar year.

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1998/1999 is based on net income tax collections in Fiscal Year 1996/1997. Amounts returned for September 1998 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Mining severance is 80% distribution base and 20% non shared. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax, jet fuel use tax, and over 10 million gallon jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	September 1998	September 1997	% change
Distribution Base	\$83,840,834	\$77,016,522	8.9
Non shared	161,491,768	146,711,687	10.1
Use Tax	11,897,903	11,195,213	6.3
Other Revenues	25,191,038	31,611,855	(20.3)
Total Collections	\$282,421,542	\$266,535,278	6.0

	Fiscal Year Total (98/99)	Fiscal Year Total (97/98)	% change
Distribution Base	\$258,722,535	\$239,822,923	7.9
Non shared	496,341,211	450,266,098	10.2
Use Tax	35,830,337	33,873,941	5.8
Other Revenues	77,303,530	94,002,131	(17.8)
Total Collections	\$868,197,613	\$817,965,093	6.1

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund. All of the non shared portion and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege and severance tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	September 1998	September 1997	% change
Retained by State	\$202,306,374	\$184,469,899	9.7
Returned to Counties	33,963,922	31,199,393	8.9
Returned to Cities	20,960,208	19,254,130	8.9
Other	25,191,038	31,611,855	(20.3)
Total Collections	\$282,421,542	\$266,535,278	6.0

	Fiscal Year Total (99/98)	Fiscal Year Total (98/97)	% change
Retained by State	\$621,404,950	\$566,854,966	9.6
Returned to Counties	104,808,499	97,152,266	7.9
Returned to Cities	64,680,634	59,955,731	7.9
Other	77,303,530	94,002,131	(17.8)
Total Collections	\$868,197,613	\$817,965,093	6.1

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	September 1998	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5%	\$430,683	64.0	\$1,039,396	23.8
Non-Metal Mining/Oil & Gas	3.125%	537,158	(9.4)	1,695,063	8.7
Utilities	5%	26,576,044	4.9	74,478,595	4.5
Communications	5%	8,339,719	19.7	25,292,820	13.6
Railroads/Aircraft	5%	146,837	(1.3)	491,430	26.3
Private Car/Pipelines	5%	31,507	N/A	229,602	129.1
Publishing	5%	446,337	22.2	1,507,825	8.9
Printing	5%	1,725,272	25.5	5,070,777	9.0
Restaurants/Bars	5%	20,172,107	8.7	62,220,918	11.0
Amusements	5%	2,060,640	(32.7)	7,269,515	(11.6)
Commercial Lease	0%	2,060,758	N/A	2,267,946	(19.4)
Rental of Personal Property	5%	12,350,326	31.4	39,547,923	24.5
Contracting	3.75% - 5%	40,328,399	16.2	127,194,003	20.3
Feed Wholesale	Repealed	148	N/A	493	N/A
Retail	5%	123,182,618	6.6	384,456,592	7.4
Advertising	0	0	N/A	0	N/A

Mining Severance	2.5%	1,506,137	(40.0)	5,119,056	(40.2)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	1,035	(88.0)	7,364	(55.3)

	Tax Rate	September 1998	% Chg	Fiscal Year Total	% Chg
Hotel/Motel	5.5%	5,095,620	6.6	16,235,935	6.4
Membership Camping	5%	2,376	1.3	6,776	(12.0)
Use/Use Inventory	5%	11,916,814	6.4	35,863,353	5.9
Rental Occupancy Tax	3%	6,042	(27.7)	20,356	3.4
Jet Fuel Tax	\$.0305/\$.0105 gal	286,435	(17.3)	823,360	(20.8)
Total		\$257,203,013	9.5	\$790,839,098	9.2

The Use/Use Inventory category shown above includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

Transaction Privilege and Severance Tax Taxable Sales By Class¹

	September 1998	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$8,613,660	64.0	\$20,787,920	23.8
Non-Metal Mining/Oil & Gas	17,189,071	(9.4)	54,242,014	8.7
Utilities	531,520,875	4.9	1,489,571,896	4.5
Communications	166,794,385	19.7	505,856,390	13.6
Railroads/Aircraft	2,936,737	(1.3)	9,828,596	26.3
Private Car/Pipelines	630,146	N/A	4,592,039	129.1
Publishing	8,926,743	22.2	30,156,505	8.9
Printing	34,505,439	25.5	101,415,548	9.0
Restaurants/Bars	403,442,143	8.7	1,244,419,189	11.0
Amusements	41,212,803	(32.7)	145,390,295	(11.6)
Commercial Lease	40,519,932	N/A	48,679,077	(82.0)
Rental of Personal Property	247,006,523	31.4	790,958,464	24.5
Contracting	806,785,209	16.2	2,544,560,765	20.3
Feed Wholesale	31,635	N/A	105,173	N/A
Retail	2,463,652,769	6.6	7,689,168,460	7.4
Advertising	0	N/A	0	N/A
Mining Severance	60,245,493	(40.0)	204,762,229	(40.2)
Timber Severance	0	N/A	0	N/A
Hotel/Motel	92,647,632	6.6	295,198,825	6.4
Membership Camping	47,516	1.3	135,519	(12.0)
Use/Use Inventory	237,958,061	6.3	716,289,107	5.7
Rental Occupancy Tax	201,396	(27.7)	678,534	3.4
Total	5,164,868,170	9.9	\$15,896,796,545	7.2

The Use/Use Inventory category shown above **does not** include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, taxable income cannot be computed. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In **September 1998**, 10,011,324 gallons of jet fuel were taxed, a (13.1)% decrease from the 11,526,957 reported for **September 1997**. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

¹These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in **September** 1998 was \$1,003,796 a 5.2% increase from the \$954,131 claimed in **September** 1997. Accounting credits claimed-to-date in FY 98/99 equals \$3,208,001 a 8.2% increase from the \$2,964,552 claimed to date in FY 97/98.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Smitty's might be considered both a grocery store or a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>September 1998</u>	<u>September 1997</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$126,660,738	\$116,095,322	9.1%
5311-5399	general merchandise stores	\$262,041,957	\$259,746,081	0.9%
5411-5499	food stores (no food sales)	\$206,382,904	\$192,652,967	7.1%
5511-5521	motor vehicle dealers	\$433,185,057	\$440,772,269	(1.7%)
5531-5599	misc. automotive, motorcycle & boat stores	\$135,902,461	\$127,985,736	6.2%
5611-5699	apparel & accessory stores	\$148,329,941	\$131,757,391	12.6%
5712-5733	furniture, home furnishings & equipment stores	\$136,421,820	\$124,461,166	9.6%
5912-5949	misc. retail stores	\$170,464,962	\$160,849,204	6.0%
	TOTAL	\$2,463,652,369	\$2,312,210,506	6.5%

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>Fiscal Yr 1999</u>	<u>Fiscal Yr 1998</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$435,986,971	\$393,871,467	10.7%
5311-5399	general merchandise stores	\$789,755,186	\$753,438,541	4.8%
5411-5499	food stores (no food sales)	\$644,000,205	\$645,020,863	(0.2%)
5511-5521	motor vehicle dealers	\$1,327,947,698	\$1,251,316,940	6.1%
5531-5599	misc. automotive, motorcycle & boat stores	\$435,600,286	\$405,260,223	7.5%
5611-5699	apparel & accessory stores	\$449,129,893	\$422,478,428	6.3%
5712-5733	furniture, home furnishings & equipment stores	\$414,513,739	\$372,841,112	11.2%

5912-5949	misc. retail stores	\$522,474,411	\$493,044,889	6.0%
	TOTAL	\$7,689,131,831	\$7,162,273,217	7.4%

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for September 1998 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$190,364	\$280,165	0.8	\$869,045	1.5
Cochise	1,096,866	642,085	1.9	1,990,919	6.4
Coconino	3,058,618	1,145,987	3.4	3,401,741	6.2
Gila	779,388	332,029	1.0	1,024,776	(4.7)
Graham	320,316	176,331	0.5	556,102	6.2
Greenlee	684,758	276,474	0.8	855,645	(22.0)
La Paz	200,895	107,396	0.3	338,316	4.5
Maricopa	54,720,171	20,947,429	61.7	65,245,046	9.6
Mohave	1,874,298	964,845	2.8	2,959,816	3.2
Navajo	1,392,883	595,472	1.8	1,820,633	6.3
Pima	13,546,094	5,551,448	16.3	16,631,639	7.4
Pinal	1,698,564	863,180	2.5	2,642,693	3.4
Santa Cruz	461,034	221,141	0.7	688,404	6.9
Yavapai	2,290,086	1,098,752	3.2	3,437,123	6.7
Yuma	1,526,497	761,186	2.2	2,346,600	7.5
Total	\$83,840,834	\$33,963,922		\$104,808,499	7.9

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for September 1998 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during September 1998 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in November, 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Hospital Tax	Stadium Tax	RV Surcharge
Apache		\$53,331					
Cochise		\$321,002					
Coconino		\$832,287	\$488,502				
Gila	\$221,355	\$235,327			\$6,804		
Graham		\$97,042					
Greenlee		\$47,869					
La Paz		\$59,830	\$59,827				
Maricopa	\$17,677,465			\$358,096		\$26,607	
Navajo		\$394,637					
Pima				\$100,022			\$15,178
Pinal	\$463,633	\$453,033					
Santa Cruz		\$132,177					
Yavapai		\$700,403					

Yuma

\$458,177

\$456,733

OTHER TAXES

Luxury Taxes

The following revenues were received from the luxury taxes in September 1998. The table compares the receipts to September 1997 and also compares fiscal-year (FY) totals. Figures may not add to total due to rounding.

	September 1998	September 1997	% Change
Spirituous	\$1,193,022	\$1,444,364	(17.4%)
Vinous	\$388,156	\$585,184	(33.7%)
Malt	\$1,612,292	\$1,547,139	4.2%
Cigarette	\$13,210,841	\$13,961,653	(5.4%)
Other Tobacco	\$264,166	\$265,680	(0.6%)
Tobacco	\$200	\$425	(52.9%)
Licenses			
Total	\$16,668,677	\$17,804,445	(6.4%)

	FY 1999	FY 1998	% Change
Spirituous	\$4,112,996	\$3,668,734	12.1%
Vinous	\$1,521,904	\$1,422,786	7.0%
Malt	\$5,143,488	\$4,847,688	6.1%
Cigarette*	\$40,779,841	\$41,077,321	(0.7%)
Other Tobacco	\$869,886	\$803,670	8.2%
Tobacco	\$5,150	\$4,500	14.4%
Licenses			
Total	\$52,433,265	\$51,824,699	1.2%

*In July, 1998, \$352,900 of Cigarette and Tobacco tax collections was allocated for administrative expenses and is not reflected in Fiscal year collections.

General Fund revenues from luxury taxes:

	September 1998	FY 1999
Spirituous	\$835,115	\$2,879,097
Vinous	\$96,750	\$379,749
Malt	\$403,070	\$1,285,872
Cigarette	\$3,580,873	\$11,053,876
Other Tobacco	\$40,946	\$134,832
Tobacco	\$200	\$5,150
Licenses		
Total	\$4,956,957	\$15,738,576

Other dedicated revenues from luxury taxes:

	September 1998	FY 1999
Correction Fund revenues	\$1,757,383	\$5,721,861

Health Care Fund revenues	\$9,364,633	\$28,591,553
Wine Promotional Fund revenues	\$578	\$1,454
Drug Treatment & Education Fund revenues	\$443,384	\$1,487,157
Corrections Revolving Fund revenues	\$175,741	\$589,764

Estate Tax

	September 1998	\$5,535,606	Fiscal year To Date	\$14,988,364
	September 1997	\$5,415,437	Fiscal year To Date	\$12,639,200
% Change		2.2%	% Change	18.6%

Private Car

	September 1998	\$0	Fiscal year To Date	\$0
	September 1997	\$0	Fiscal year To Date	\$0
% Change		NA	% Change	NA

Bingo

	September 1998	\$33,669	Fiscal year To Date	\$166,552
	September 1997	\$47,869	Fiscal year To Date	\$184,087
% Change		(29.7%)	% Change	(9.5%)

Unclaimed Property

	September 1998	(\$5,208)	Fiscal year To Date	\$133,683
	September 1997	(\$710,599)	Fiscal year To Date	(\$8598,725)
% Change		N/A	% Change	N/A

Please note that some totals throughout Tax Facts may not add due to rounding.
SOURCE: ECONOMETRICS SECTION, ARIZONA DEPARTMENT OF REVENUE

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
September 1998

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,399,915	168,176
Eagar	\$37,583	4,515	Surprise	89,376	10,737
Springerville	15,982	1,920	Tempe	1,280,423	153,821
St. Johns	27,969	3,360	Tolleson	36,926	4,436
<u>Cochise County</u>			Wickenburg	39,664	4,765
Benson	\$34,254	4,115	Youngtown	22,425	2,694
Bisbee	54,107	6,500	<u>Mohave County</u>		
Douglas	123,030	14,780	Bullhead City	\$224,252	26,940
Huachuca City	16,149	1,940	Colorado City	26,554	3,190
Sierra Vista	314,776	37,815	Kingman	139,587	16,769
Tombstone	19,483	1,405	Lake Havasu City	302,040	36,285
Willcox	29,409	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$42,203	5,070
Flagstaff	\$453,497	54,480	Pinetop-Lakeside	27,478	3,301
Fredonia	10,405	1,250	Show Low	58,169	6,988
Page	66,177	7,950	Snowflake	34,295	4,120
Williams	22,392	2,690	Taylor	22,101	2,655
<u>Gila County</u>			Winslow	89,734	10,780
Globe	\$58,752	7,058	<u>Pima County</u>		
Hayden	7,575	910	Marana	\$50,894	6,114
Miami	16,981	2,040	Oro Valley	163,627	19,657
Payson	91,598	11,004	Sahuarita	19,237	2,311
Winkelman	5,627	676	South Tucson	45,383	5,452
<u>Graham County</u>			Tucson	3,697,053	444,138
Pima	\$15,400	1,850	<u>Pinal County</u>		
Safford	73,027	8,773	Apache Junction	\$162,528	19,525
Thatcher	32,938	3,957	Casa Grande	173,807	20,880
<u>Greenlee County</u>			Coolidge	58,727	7,055
Clifton	\$24,931	2,995	Eloy	74,209	8,915
Duncan	0.00	735	Florence	94,812	11,390
<u>La Paz County</u>			Kearny	20,436	2,455
Parker	\$24,556	2,950	Mammoth	16,315	1,960
Quartzsite	16,690	2,005	Superior	29,010	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$189,548	22,771	Nogales	\$171,934	20,655
Buckeye	40,430	4,857	Patagonia	7,866	945
Carefree	19,029	2,286	<u>Yavapai County</u>		
Cave Creek	25,605	3,076	Camp Verde	\$62,139	7,465
Chandler	1,101,779	132,360	Chino Valley	52,259	6,278
El Mirage	47,789	5,741	Clarkdale	21,643	2,600
Fountain Hills	117,753	14,146	Cottonwood	54,481	6,545
Gila Bend	14,542	1,747	Jerome	3,829	460
Gilbert	493,936	59,338	Prescott	258,763	31,086
Glendale	1,520,107	182,615	Prescott Valley	133,544	16,043
Goodyear	76,998	9,250	Sedona	74,035	8,894
Guadalupe	45,433	5,458	<u>Yuma County</u>		
Litchfield Park	31,124	3,739	San Luis	\$66,809	8,026

Mesa	2,814,523	338,117	Somerton	48,480	5,824
Paradise Valley	103,619	12,448	Wellton	9,373	1,126
Peoria	620,687	74,565	Yuma	503,251	60,457
Phoenix	9,567,873	1,149,417			
Queen Creek	25,572	3,072	TOTAL	\$28,359,221	3,406,677

TABLE 3

**Transaction Privilege and Severance Tax Returned to Cities/Towns
September 1998**

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Queen Creek	\$18,888	3,072
Eagar	\$27,760	4,515	Scottsdale	1,034,025	168,176
Springerville	11,805	1,920	Surprise	66,016	10,737
St. Johns	20,659	3,360	Tempe	945,764	153,821
<u>Cochise County</u>			Tolleson	27,275	4,436
Benson	\$25,301	4,115	Wickenburg	29,297	4,765
Bisbee	39,965	6,500	Youngtown	16,564	2,694
Douglas	90,874	14,780	<u>Mohave County</u>		
Huachuca City	11,928	1,940	Bullhead City	\$165,640	26,940
Sierra Vista	232,504	37,815	Colorado City	19,614	3,190
Tombstone	8,639	1,405	Kingman	103,104	16,769
Willcox	21,723	3,533	Lake Havasu City	223,097	36,285
<u>Coconino County</u>			<u>Navajo County</u>		
Flagstaff	\$334,969	54,480	Holbrook	\$31,173	5,070
Fredonia	7,686	1,250	Pinetop/Lakeside	20,296	3,301
Page	48,880	7,950	Show Low	42,966	6,988
Williams	16,539	2,690	Snowflake	25,332	4,120
<u>Gila County</u>			Taylor	16,324	2,655
Globe	\$43,396	7,058	Winslow	66,281	10,780
Hayden	5,595	910	<u>Pima County</u>		
Miami	12,543	2,040	Marana	\$37,592	6,114
Payson	67,658	11,004	Oro Valley	120,860	19,657
Winkelman	4,156	676	Sahuarita	14,209	2,311
<u>Graham County</u>			South Tucson	33,521	5,452
Pima	\$11,375	1,850	Tucson	2,730,769	444,138
Safford	53,941	8,773	<u>Pinal County</u>		
Thatcher	24,329	3,957	Apache Junction	\$120,049	19,525
<u>Greenlee County</u>			Casa Grande	128,380	20,880
Clifton	\$18,415	2,995	Coolidge	43,377	7,055
Duncan	4,519	735	Eloy	54,814	8,915
<u>La Paz County</u>			Florence	70,031	11,390
Parker	\$18,138	2,950	Kearny	15,094	2,455
Quartzsite	12,328	2,005	Mammoth	12,051	1,960
<u>Maricopa County</u>			Superior	21,427	3,485
Avondale	\$140,007	22,771	<u>Santa Cruz County</u>		
Buckeye	29,863	4,857	Nogales	\$126,997	20,655
Carefree	14,055	2,286	Patagonia	5,810	945
Cave Creek	18,913	3,076	<u>Yavapai County</u>		
Chandler	813,812	132,360	Camp Verde	\$45,898	7,465
El Mirage	35,298	5,741	Chino Valley	38,600	6,278

Fountain Hills	86,976	14,146	Clarkdale	15,986	2,600
Gila Bend	10,741	1,747	Cottonwood	40,242	6,545
Gilbert	364,838	59,338	Jerome	2,828	460
Glendale	1,122,803	182,615	Prescott	191,131	31,086
Goodyear	56,873	9,250	Prescott Valley	98,640	16,043
Guadalupe	33,558	5,458	Sedona	54,684	8,894
Litchfield Park	22,989	3,739	<u>Yuma County</u>		
Mesa	2,078,902	338,117	San Luis	\$49,348	8,026
Paradise Valley	76,536	12,448	Somerton	35,809	5,824
Peoria	458,461	74,565	Wellton	6,923	1,126
Phoenix	7,067,156	1,149,417	Yuma	386,075	62,792
			TOTAL	\$20,960,208	3,409,012